



FINAL STRATEGIC REPORT

FY2027-2031

MAY 2026



DESERT HEALTHCARE
DISTRICT & FOUNDATION

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LETTER FROM THE **BOARD PRESIDENT**

Dear District Community,

As elected representatives of the Desert Healthcare District and Foundation's seven zones, the Board of Directors is honored to serve the diverse communities that make up the Coachella Valley. Each zone reflects unique strengths, challenges, and priorities, and throughout the development of this 2027–2031 Strategic Plan, our commitment has been to ensure those voices were heard and reflected in the path forward.

Over the past year, the Board has worked closely with District leadership, staff, community members, healthcare partners, and stakeholders through workshops, engagement sessions, surveys, and strategic planning discussions to help shape this plan. These conversations reinforced both the significant opportunities ahead and the urgent need to address persistent disparities in access to care, health outcomes, and the broader social and environmental conditions that impact well-being across our region.

The approval of the new lease agreement for Desert Regional Medical Center marks a transformational moment for the District and Foundation. With this opportunity comes an important responsibility: to steward these public resources thoughtfully, transparently, and in ways that create meaningful, measurable impact for the communities we represent. This strategic plan is intended to serve as a roadmap for how we will work collaboratively to strengthen healthcare access, invest in long-term community well-being, and support a more connected and equitable health system across the Valley.

As Board members, we remain committed to listening, learning, and staying engaged with our constituents throughout the implementation of this new strategic plan. We encourage you to continue participating in public meetings, sharing your perspectives, and partnering with us as this work moves forward. Together, we can build a healthier future for all residents of the Coachella Valley.

Thank you for your trust, partnership, and continued engagement.

Sincerely,

Kimberly Barraza

Board President

Desert Healthcare District & Foundation



Kimberly Barraza
President - Zone 6



Greg Rodriguez
Vice-President - Zone 1



Leticia De Lara, MPA
Secretary - Zone 7



Dan Logsdon, M.D.
Treasurer - Zone 3



Carole Rogers, RN, MPH
Director - Zone 2



Evett PerezGil
Director - Zone 4



Anyse Smith, Esq.
Director - Zone 5

LETTER FROM THE CEO

Dear District Community,

The Desert Healthcare District and Foundation is at a pivotal moment. With the approval of the new Tenet lease agreement and the development of our 2027–2031 Strategic Plan, we have a unique opportunity to strengthen how we support health and well-being across the Coachella Valley for years to come.

This plan reflects months of collaboration, analysis, and, most importantly, input from our community. Through engagement sessions, surveys, and conversations with residents, partners, Board members, and staff, we heard clearly about both the challenges people face and the opportunities to better align our efforts. Your insights helped shape the priorities outlined in this plan, from expanding access to care, to addressing the social and environmental factors that influence health, to strengthening how we use data and partnerships to drive impact.

As we move forward, our role will continue to evolve. We are committed not only to supporting individual programs, but to strengthening the broader system, bringing partners together, aligning resources, and investing in solutions that create lasting, measurable change. This work will require ongoing collaboration, transparency, and accountability, and we are dedicated to keeping the community informed and engaged every step of the way.

We invite you to stay connected—by participating in public meetings, engaging with our programs, and continuing to share your perspectives via our website dhcd.org. Your voice is essential to ensuring that this plan delivers on its promise.

Thank you for your continued partnership and trust.

Sincerely,

Chris Christensen, CPA

Chief Executive Officer

Desert Healthcare District & Foundation



Chris Christensen
Chief Executive Officer



Donna Craig
Chief Program Officer



Alejandro Espinoza
Chief of
Community Engagement



Eric Taylor
Chief
Administration Officer



Will Dean
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Meghan Kane
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Andrea S. Hayles
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Erica Huskey
Grants Manager



Sergio Rodriguez
Program Assistant



Consuelo Marquez
Communications Assistant



Gracie Montano
Program Associate



Christian Lance
Accounting Manager



Belen Navarro
Program Support Specialist

PART 1: EXECUTIVE SUMMARY

Our Moment

The Desert Healthcare District & Foundation (DHCD/F) was established in 1948 as a public agency to ensure access to care for residents of the western Coachella Valley. Over time, the District has evolved from directly operating Desert Hospital to advancing community health through strategic investments, grantmaking, mobile health services, and partnerships with organizations addressing a wide range of health and wellness needs.

In 2018, Coachella Valley voters overwhelmingly approved the expansion of the District's boundaries east of Cook Street, extending its reach to serve the entire Valley of more than 400,000 residents from Palm Springs to the North Shore. This expansion also established a seven-member, zone-based elected Board to ensure representation across the region.

Today, the District stands at a pivotal moment. In 2024, voters approved a new Lease Purchase Agreement with Tenet Healthcare, securing nearly \$650 million in funding over the next 30 years, with an initial \$100 million investment beginning in May 2027. This represents the most significant financial milestone in the District's history, and creates an unprecedented opportunity to scale what works, deepen impact, and invest in solutions that were previously out of reach. With this opportunity comes a heightened responsibility to steward these public resources with transparency, accountability, and a focus on long-term financial sustainability and lasting impact beyond this five-year plan.

For more than 75 years, we have been a part of this Valley. Yet the challenges facing our communities remain real and persistent. This moment calls for renewed focus, stronger coordination, and a clearer role in advancing health across the region. This strategic plan is our commitment to build on that legacy, respond to today's realities, and take meaningful action to improve the health and well-being of all who call the Coachella Valley home.

Our Evolving Role

For much of its history, DHCD/F has operated primarily as a grantmaker: funding organizations that deliver critical services to residents across the Coachella Valley. That work has real value, and it has helped build a strong ecosystem of nonprofits, public agencies and community organizations working to improve health and well-being. Yet, as this ecosystem has grown, so too has the need for greater coordination. Too often, organizations are working in parallel rather than in partnership, leading to fragmentation, missed connections, and gaps in care for the residents who need support most.

DHCD/F is uniquely positioned to help address this and assume an expanded role. **As a trusted, public agency with both convening power and financial capacity, we see ourselves stepping into the role of a "Health System Amplifier": playing a backbone function that supports greater coordination, alignment, and shared direction across the Valley.**

In this role, we will focus on strengthening connections across the system: building partnerships between healthcare providers, community organizations, and other stakeholders to address social determinants of health; collaborating to integrate primary care, behavioral health, and other services to meet individuals' comprehensive needs; and investing in the shared infrastructure required to enable collective impact. Our goal is not to replace what exists, but to build on it, helping the system function more cohesively and effectively for every resident we serve.


Evolving into a Health System Amplifier for the Coachella Valley will require internal transformation. Each Strategic Pillar must be supported by a dedicated team with deep subject-matter expertise. A new cross-functional role will bridge these teams, driving collaboration and communication across the organization.

Together, this new structure will help each pillar perform at its highest potential, creating compounding impact not just within each pillar, but across the organization and the broader health system.



As a public healthcare district established by the State of California, DHCD serves as the parent organization to the Desert Healthcare Foundation, which will continue to support community health through program incubation, fiscal sponsorship, and targeted funding. Together, the District and Foundation work as one entity—combining public stewardship with flexible tools to support innovation, partnership, and implementation across the Valley.

What This Means In Practice

- ▶ **Setting Clear Priorities**
Rather than funding a broad range of activities, we focus on four areas where DHCD/F can make a meaningful and measurable difference over five years and beyond.
 - ▶ **Bringing People to the Table**
We convene the community partners, agencies, schools, organizations, and groups that need to work together — rather than each solving the same problems separately.
 - ▶ **Making Decisions Based on Evidence**
We invest in shared systems that benefit every organization in the Valley to understand where needs are greatest and where investment will do the most good.
 - ▶ **Measuring What Actually Matters**
We will track outcomes that reflect real changes in residents' lives, and use those insights to continuously improve our approach.
 - ▶ **Funding the Full Picture of Health**
We will invest not only in healthcare services, but also in the social and environmental factors that shape health outcomes.
 - ▶ **Learning and Adapting**
We will regularly assess what is working, seek community input, and refine our approach to ensure we are delivering meaningful results.
 - ▶ **Shifting from Reactive to Proactive**
We will move beyond responding to individual funding requests toward identifying gaps, setting direction, and making strategic investments that strengthen the system as a whole.
- 

PART 2: THE PROCESS

A Phased Approach

From August 2025 through May 2026, DHCD/F partnered with Sowen, a data-focused strategy consulting firm, to guide a five-phase process that combined data, stakeholder input, and community voice to shape the 2027-2031 Strategic Plan. This phased approach was designed to enable co-creation with the Desert Healthcare District & Foundation Board, leadership, staff, and the communities and partners we serve.



Phase 1: Discovery:

We conducted a comprehensive review of DHCD/F’s current strategy and financial position, and regional and local health data, alongside work sessions, surveys, and partner engagement to understand our strengths, gaps, and opportunities. Integral to this work was an assessment of the organization across five key lenses, culture, people, knowledge, tools, and processes, to understand how effectively DHCD/F is set up to deliver on its mission.



Culture: The extent to which the organization promotes collaboration, alignment, and an environment where decisions are informed by insight.



People: Having the right people, skills, and structures in place, with the ability to attract, retain, and collaborate effectively across stakeholders.



Knowledge: Access to relevant data and information, and the ability to use it to inform decisions and guide action.



Tools: The systems and resources needed to operate effectively and support day-to-day work.



Process: Clear, consistent ways of working that enable the strategy to be translated into action and adopted across the organization.

The Discovery Phase culminated in a report which can be found [HERE](#).

Phase 2: V1 Strategic Planning:

The insights from the Discovery phase laid the groundwork for a collaborative, data-driven co-design process with the Board and staff. A combination of asynchronous exercises and in-person workshops, findings from the existing strategy, document reviews, data analysis, and stakeholder perspectives was used to produce an initial draft of the Strategic Plan.

A key component of this process was reviewing and discussing Social Determinants of Health frameworks to guide the District's approach, and recognizing that factors such as economic stability, housing, and neighborhood conditions are critical to health outcomes. We also had in-depth discussions about the opportunity presented by the Tenet Health lease and the need for DHCD/F to evolve its role. Through this, the Board and staff aligned on a shift from a primarily "Grant Maker" to a "Health System Amplifier", positioning DHCD/F to act as a force multiplier and maximize collective impact for Coachella Valley residents. This perspective served as a guiding principle in the development of the V1 Strategy.

Phase 3: Community Engagement:

We engaged 233 residents and community partners across all District zones through a series of sessions to elicit meaningful feedback on V1 of the Strategic Plan. We structured these first-of-a-kind sessions to be inclusive and adaptive, so the final strategic plan reflects the voices, experiences, and priorities of those it is meant to serve. In total, DHCD/F hosted seven in-person sessions and one virtual session, complemented by a bilingual survey with 200+ responses. The Community Engagement Report, synthesizing key findings and insights can be found [HERE](#).

Phase 4: V2 Strategic Planning:

We incorporated community input and worked with the Board and staff through additional work sessions and asynchronous exercises to align, prioritize, and finalize the strategic direction, resulting in a focused, measurable and actionable strategic plan.

Phase 5: Final Presentation:

We translated the strategy into a clear, accessible plan and implementation roadmap to support adoption and long-term impact.

Guiding Principles

Throughout the strategic planning process, three core commitments guided our approach, shaped our discussions, and informed our decisions.

Community-Centered

Represents the current and future voices, trends, and needs of the District's diverse communities.

Financially Responsible

Identifies and harnesses the opportunities for scalable, sustainable impact of the 30-year Tenet lease.

Tangible Impact

Drives Meaningful and measurable change for all stakeholders in the short, medium and long term.

Community-Centered

We prioritize the voices, experiences, and needs of the communities we serve, particularly those with the greatest need. Community input is not additive; it is foundational, directly shaping where and how resources are deployed.

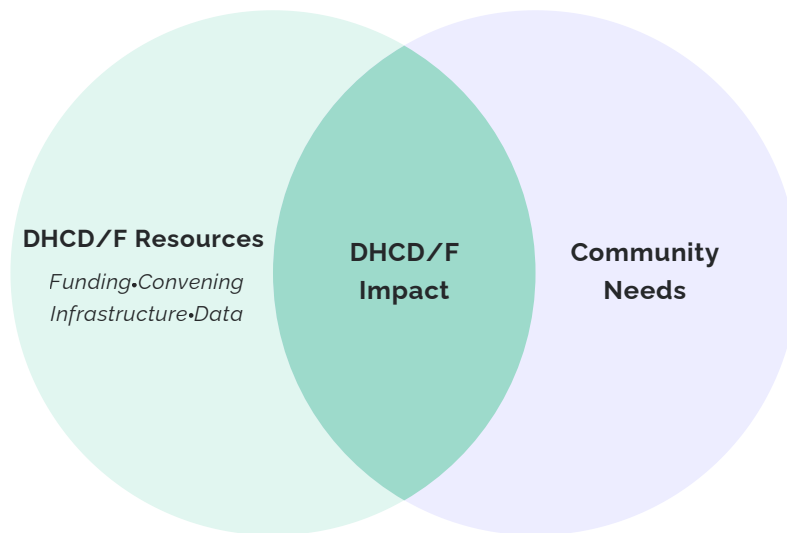
Financially Responsible

We are stewards of public resources. The funding entrusted to DHCD/F must be managed with discipline, transparency, and a focus on long-term financial sustainability.

Tangible Impact

We measure success by what changes in people's lives, not just what is funded. This plan includes clear metrics across every pillar, goal, and initiative, allowing us to track progress, report transparently, and adjust course as needed.

At the intersection of community need and DHCD/F's resources: funding, convening power, infrastructure, and data, is where impact is created. These guiding principles ensure that our decisions consistently align resources to need, driving meaningful and measurable change across the Valley.



Evidence & Inputs

This strategic plan is grounded in a combination of quantitative data and qualitative insight, drawing from a wide range of sources that informed both the development and refinement of the strategy. These include regional health and economic studies (such as the HARC 2025 Community Health Survey, the Huron 2023 Physician Needs Assessment, the 2020 Community Health Needs Assessment (CHNA), and the 2025 CVEP Economic Impact Study, as well as findings from DHCD's 2025 Community Engagement process.

This data was triangulated with extensive input from the Board and staff through a series of work sessions and structured exercises conducted throughout the planning process, alongside insights from the Soven Discovery Report. Together, these sources provide a comprehensive view of community needs, system gaps, and opportunities for impact—ensuring the plan is both evidence-based and grounded in the lived experiences of residents and the expertise of those working across the Valley.

PART 3: DHCD/F'S STRATEGIC POSITION

The development of this strategic plan was grounded in a clear understanding of DHCD/F as an organization, the Coachella Valley's communities, partners and individuals, and the broader environment in which it operates. The Discovery phase provided a comprehensive evaluation of DHCD/F's baseline, highlighting strengths to build on, gaps to address, and opportunities to pursue, while also examining the external forces that will shape what is possible over the next five years.

The Environment We Operate In

DHCD/F operates in a rapidly shifting environment that will shape both the scale of need in the Valley and what is possible over the next five years. The following is a summary of the broader political, economic, social, technological, legal, and regulatory factors (PESTLE) analyzed during the Discovery phase, with full detail available in the [Discovery Report](#).

Political & Policy Context:

Proposed federal Medicaid cuts and changes to coverage pose a significant risk to access to care, particularly in a region where a large share of residents rely on Medi-Cal. Simultaneously, immigration enforcement is already reducing healthcare utilization in some communities, contributing to delayed care and worsening outcomes. Conversely, California's CalAIM initiative presents an opportunity to expand services addressing social determinants of health, creating areas where DHCD/F can complement and amplify state-funded efforts.

Economic Pressures:

Healthcare providers in the Coachella Valley face increasing financial strain, driven by low reimbursement rates and rising operating costs. For residents, high costs of living and persistent housing instability continues to impact health outcomes, reinforcing the need for cross-sector solutions that address both medical and social needs.

Climate & Environment:

The Coachella Valley faces growing environmental pressures including extreme heat, poor air quality, and water insecurity that are directly impacting health outcomes and disproportionately affecting vulnerable populations. These conditions are not just background factors, but critical drivers of health and equity, shaping residents' exposure to risk and long-term well-being. They both increase the need and potential opportunity for climate-responsive investments and partnerships that protect communities and strengthen resilience.

Governance & Accountability:

As a public healthcare district, DHCD/F operates in an environment of increasing transparency and accountability. With the influx of new funding, expectations from residents, policymakers, and partners are rising, placing greater emphasis on disciplined stewardship, clear reporting, and demonstrable impact.

SWOT Analysis

A SWOT analysis is a structured assessment of an organization's *strengths*, *weaknesses*, *opportunities*, and *threats* that examines both internal capabilities and the external environment in which it operates. The analysis below synthesizes insights from the Discovery phase and the strategic planning process that followed. It reflects both DHCD/F's internal capabilities and the broader context shaping its work.

The strengths and opportunities identified highlight where DHCD/F is well-positioned to build: leveraging its resources, partnerships, and role within the Valley to drive greater impact. The weaknesses and threats point to areas where focused action, coordination, and investment are needed to address gaps and mitigate risk. Together, these insights informed the development of this strategic plan to ensure that it builds on what is working, addresses critical challenges, and positions DHCD/F to respond effectively to a rapidly evolving environment.

STRENGTHS

- Trusted partner and convener across the Valley
- Strong financial standing — no outstanding debt
- Tenet Lease Purchase Agreement: \$650M over 30 years
- High-performing, mission-driven staff and Board
- Mobile clinics: high-visibility, high-impact community presence
- Established, fair grantmaking process with strong partner confidence
- Data Walks: proven mechanism for community-grounded decision-making

WEAKNESSES

- Impact measurement: data collected but not consistently used for decisions
- Brand awareness remains limited — many residents still associate DHCD/F with the hospital
- Internal collaboration between Board and staff needs strengthening
- Grantmaking historically concentrated in the West Valley
- Current staffing levels are not sufficient for the scale of the new plan

- Tenet lease funds enable investments at a scale previously impossible
- Becoming the Valley's leading collective impact convener and data hub
- Growing social impact investment market: co-funding opportunities
- Increased recognition of the critical role played by the Social Determinants of Health.

- One Big Beautiful Bill: estimated \$1T in Medicaid cuts, 10M+ coverage losses nationally
- Immigration enforcement suppressing healthcare utilization in the Valley
- Staff capacity constraints as funding and grant-making volume scale rapidly
- Increased public financial scrutiny of special district funds
- Rising grant requests exceeding current review capacity

OPPORTUNITIES

THREATS

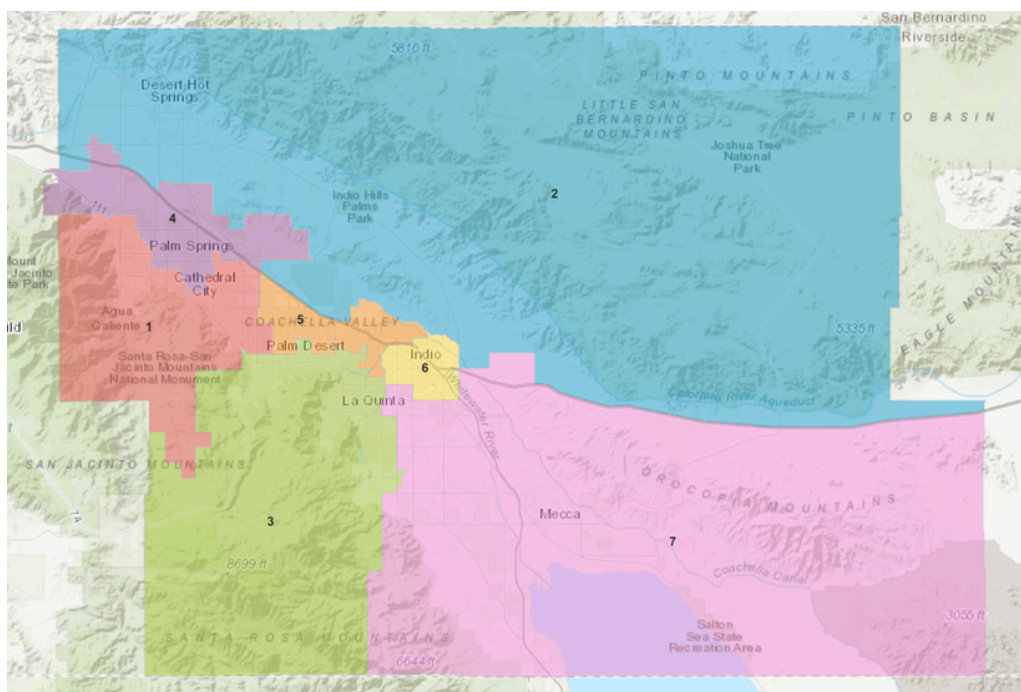
PART 4: THE COMMUNITY WE SERVE

Understanding the communities DHCD/F serves is central to this strategic plan. The Coachella Valley is diverse, with residents experiencing different realities that shape their access to care and overall health outcomes. This strategic plan is grounded not only in local and regional health data, but in what we heard directly from residents and community partners through engagement sessions across the Valley.

A Diverse Region

Nearly 450,000 people call the Coachella Valley home, and they represent a wide range of communities with differing socioeconomic conditions, lived experiences, and access to resources. These disparities vary across the region, with the Mid-Valley characterized by older, wealthier residents, stable population sizes, and better-resourced healthcare infrastructure, while many Eastern and Western communities include younger, lower-income families, higher growth rates, and lower levels of healthcare infrastructure relative to need. Income gaps between communities are prevalent, with about 28% of adults living at or below the poverty line (HARC 2025). Together, these dynamics shape health outcomes across the Valley and underscore the need for tailored, coordinated responses.

The District's mandate is divided into seven zones, each represented by an elected Board member, ensuring that different communities across the region have a direct voice in decision-making. In 2018, voters approved the expansion of the District's boundaries east of Cook Street, extending its reach to serve the full Valley. This shift not only increased the population served, but also brought greater geographic, economic, and health diversity into the District's scope. An interactive view of these zones can be explored via the [District's Hummingbird map](#).



Key Groups

While every resident's experience is unique, several groups make up a significant share of the Valley's population and face distinct health needs:

- **Hispanic, Latino, and Spanish-speaking communities**

Over half of the Valley's population identifies as Hispanic or Latino, with even higher concentrations in the East and West Valley. For many residents, language and cultural barriers continue to shape how easily they can access and navigate care.

- **Aging Adults**

The Coachella Valley has a large and growing senior population, particularly in the mid-Valley. Many aging adults require ongoing, coordinated care, with specific needs related to chronic conditions and social support.

- **LGBTQ+ Communities**

The Valley is home to one of the largest LGBTQ+ populations in the country relative to its size, including a significant number who are aging adults. This community has distinct healthcare needs, particularly around culturally competent and inclusive services.

- **Farmworkers and Hospitality Workers**

Many of the Valley's residents work in agriculture and tourism, often in physically demanding roles and conditions, with limited access to employer-sponsored healthcare and schedules that make accessing care more difficult.

- **Children and Youth**

Over 85,000 children live in the Valley (HARC 2025), with a significant share growing up in low-income households. Early access to healthcare, nutrition, and mental health support plays a critical role in shaping long-term outcomes.



PART 5: THE 2027-2031 STRATEGIC PLAN

Our True North

Every decision in this plan is guided by three foundational components that together form our True North: a vision of what we are working toward, a mission that defines how we pursue it, and a set of values that shape how we operate along the way. These are not static statements, they are practical tools that guide decision-making when priorities compete, resources are constrained, and new opportunities arise. Strategic Planning in its essence, entails making difficult decisions that eliminate certain options.

The vision and mission were refined through this planning process, informed by data, shaped through Board and staff collaboration, and tested in community engagement sessions across all seven District zones to ensure they reflect the aspirations of residents and partners. The values remain consistent with our previous strategic work, providing continuity in how we define our True North.

Vision

To achieve optimal health at all stages of life for all District residents.

Mission

To improve health access and outcomes for all District residents through strategic funding and partnership-building to advance resilient communities.

Values

We believe every resident in our District deserves:

- Access to health education, disease prevention, and comprehensive diagnostic and treatment services
- The opportunity to participate in District matters through access and input to the Board

We support positive health system change via:

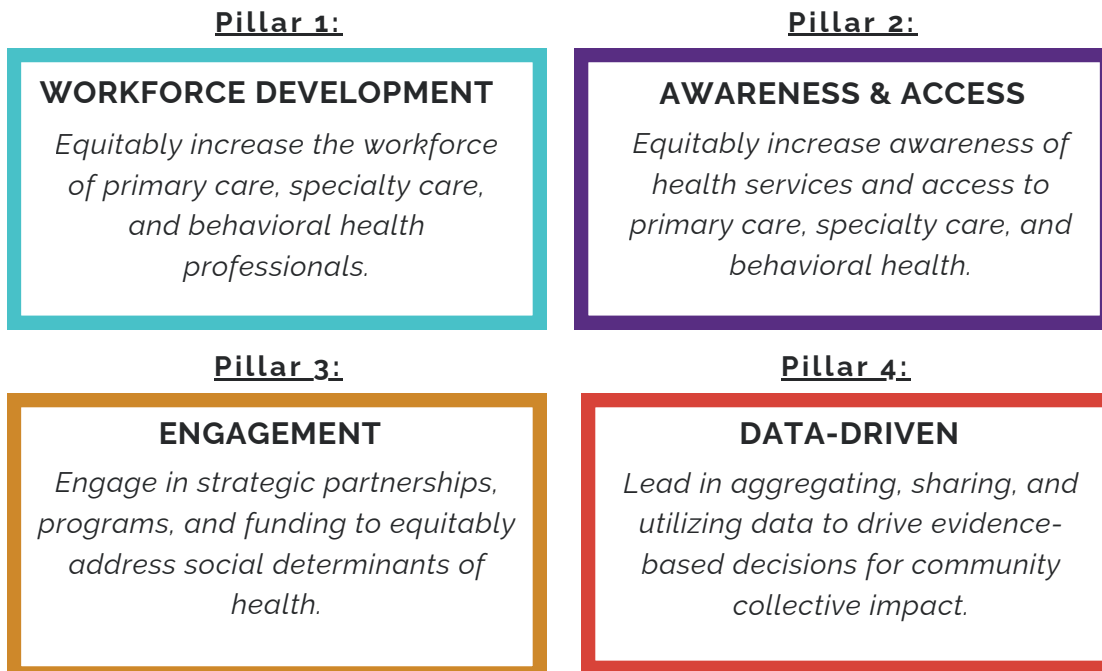
- Incorporating best-practice methodologies where possible
- Encouraging accurate outcome measurement by benchmarking, monitoring and evaluation
- Supporting innovative new practices and programs
- Fostering collaboration and partnerships


The FY2027-2031 Strategic Plan

The visual below illustrates the structure of DHCD/F's strategic plan—from strategic pillars, which define our core areas of focus, to goals that articulate the outcomes we aim to advance, to key initiatives that mobilize resources and partners to drive measurable progress. Tactics represent the specific actions that bring these initiatives to life and are addressed at the implementation level.



The pages that follow outline the strategic pillars, goals, and key initiatives that were selected for the FY2027–2031 Strategic Plan, highlighting the quantitative and qualitative evidence that illustrate not just what we are pursuing, but why. The below visual provides a snapshot of the four selected pillars. **It is important to note that pillars 1 and 2 will primarily guide how DHCD/F deploys funding to address core healthcare needs, Pillar 3 will focus on strengthening partnerships to address the social determinants of health, and Pillar 4 will serve to both advance internal data capabilities and external data sharing to support collective impact.**



 <p>PILLAR 1: WORKFORCE DEVELOPMENT</p> <p><i>Equitably increase the workforce of primary care, specialty care, and behavioral health professionals.</i></p>	<p>GOAL 1.1: Recruitment Attract a diverse, mission-aligned workforce to meet the primary care, specialty care and behavioral health needs of District residents.</p>	<p>KEY INITIATIVE 1.1.1 Grow-Your-Own Healthcare Workforce Pipeline Develop a culturally responsive pipeline that prepares, trains, and places primary care, specialty care and behavioral health professionals in the District.</p>
		<p>KEY INITIATIVE 1.1.2 Recruitment Incentive Program Use targeted incentives and recruitment strategies to attract primary care, specialty care and behavioral health professionals to practice in the District.</p>
	<p>GOAL 1.2: Retention Retain a skilled, stable, and culturally responsive health workforce that can deliver high-quality care across the District.</p>	<p>KEY INITIATIVE 1.2.1 Workforce Support Support primary care, specialty care and behavioral health professionals through supervision, peer support, cultural empathy training and professional development opportunities.</p>
	<p>KEY INITIATIVE 1.2.2 Retention Incentives & Community Integration Provide targeted incentives and coordinated supports that encourage primary care, specialty care and behavioral health professionals to remain in the District.</p>	

Across the strategic planning process, workforce development was consistently reaffirmed as a top priority by community members, DHCD/F Board and staff, and external research, and reflects a continued commitment from DHCD/F's previous strategic plan. Provider shortages are a key driver of the Coachella Valley's healthcare access challenges, with the 2023 Huron report notably identifying a gap of approximately 236 physicians relative to community need, with a large portion of that gap concentrated among family medicine, internal medicine, pediatrics, and obstetrics and gynecology. This was confirmed throughout community engagement sessions and the community input survey, where a lack of providers was identified as the most significant barrier to accessing care, and increasing provider availability emerged as the top area for DHCD/F to focus its efforts. Together, these inputs reinforce both the urgency and the validity of carrying this priority forward, with strong alignment and support from the community and organizational leadership.

Achieving this pillar is inherently a two-fold effort: it requires both attracting new providers to the region and ensuring they remain in the District over time. Addressing only one side of this equation would limit long-term impact. Recruitment efforts are needed to fill immediate and ongoing gaps across primary care, specialty care, and behavioral health, while retention strategies are essential to sustain a stable, high-quality workforce capable of meeting the needs of a growing and diverse population. Together, these approaches aim to not only increase the number of providers, but also strengthen the overall resilience and continuity of care within the local health system.

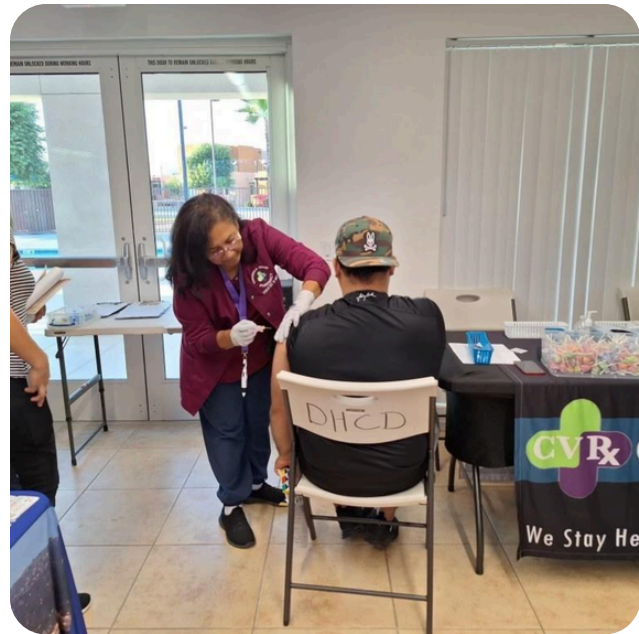
The selected initiatives in this pillar reflect the areas where community input, board-staff prioritization, and system-level need are most strongly aligned. A “grow-your-own” approach to workforce development emerged as a particularly strong and consistent theme, recognizing that locally trained providers are more likely to remain in the region and deliver culturally responsive care. At the same time, the high cost of living and competitive labor market create significant barriers to attracting providers from outside the region, underscoring the need for targeted recruitment incentives. On the retention side, community and stakeholder input highlighted the pressures facing providers, including high patient volumes, workforce shortages, and burnout, which point to the importance of both structural supports and incentives to ensure providers can sustainably practice in the Valley. Together, these initiatives prioritize solutions that are both responsive to immediate workforce gaps and designed for long-term sustainability, while positioning DHCD/F to support, fund, and align efforts across the broader healthcare ecosystem.

Quotes From the Community Engagement Process:

Not only do the scholarships help put higher education within reach for many of our students going into health care pathways, but also covers the high cost of transportation and living

Getting doctors to relocate out here is a big problem

From my experience, our pediatric needs across the district as far as specialty care are very much lacking



 <p>PILLAR 2: AWARENESS & ACCESS</p> <p><i>Equitably increase awareness of health services and access to primary care, specialty care, and behavioral health.</i></p>	<p>GOAL 2.1: Awareness Increase community awareness of the health services and resources available across the District.</p>	<p>KEY INITIATIVE 2.1.1 Connected Care Navigation Support a coordinated, culturally responsive approach to health awareness and navigation so residents can more easily understand what services and resources exist and be connected to them across the District.</p>
	<p>GOAL 2.2: Access Reduce barriers that limit District residents' ability to access healthcare.</p>	<p>KEY INITIATIVE 2.2.1 In-Person Care Infrastructure Enablement Enable access to in-person care by strategically procuring, leasing, or supporting physical spaces that expand healthcare service delivery for District residents.</p>
		<p>KEY INITIATIVE 2.2.2 High-Need Access Expansion Support programs and nontraditional delivery models that facilitate and expand access to services and care for District residents.</p>
		<p>KEY INITIATIVE 2.2.3 Digital Access Enablement Expand access to virtual care by supporting telehealth service delivery and resident digital navigation that enable effective use of digital health tools.</p>

Pillar 2 focuses on improving both awareness of and access to healthcare services, priorities that were consistently identified by community members, DHCD/F Board and staff, and supporting research throughout the strategic planning process. Residents highlighted not only the barriers that make it difficult to access care such as long wait times, cost and insurance challenges, transportation, and language barriers, but also a fundamental gap in awareness of what services exist and how to navigate them. Together, these challenges point to the need for a more coordinated approach that improves both how residents become aware of the services available to them and how easily those services can be accessed.

This pillar is structured around two complementary goals: increasing awareness of available services and strengthening access to care. Improving awareness requires more than simply sharing information: it requires coordinated navigation, culturally responsive outreach, and the use of trusted community channels to help residents understand and connect to available resources. Strengthening access, in turn, requires addressing both the availability of care and the barriers that prevent residents from reaching it, particularly in under-resourced areas where existing healthcare infrastructure is not meeting community needs and where factors such as transportation, cost, and scheduling continue to limit access.

The selected initiatives reflect where community input and Board-staff prioritization most strongly aligned. Connected care navigation emerged as a foundational need to help residents more easily move through a fragmented system, while expanding in-person care infrastructure was identified as a top priority to increase access points across the Valley, particularly in under-resourced communities where gaps in service remain most pronounced. Complementing these efforts, programs that bring care closer to where residents live, such as mobile clinics and other community-based delivery models, along with targeted access expansion and digital enablement, are designed to extend the reach of care and reduce geographic and logistical barriers.

Quotes From the Community Engagement Process:

I think there's a lot of fear from our communities to direct ourselves directly sometimes with any institutions that we're not familiar with. And so always that trusted partner is going to help alleviate some of that fear and help them overcome it

Many families do not struggle only with access, but with understanding how to navigate insurance, referrals, specialists, appeals, and patient rights. Without navigation support, access alone does not translate into care

We have to wait so long for appointments, and when our children get sick we can't even get seen at urgent care because it takes hours and hours. It forces residents of our community to go the emergency room or across the border



 <p>PILLAR 3: ENGAGEMENT</p> <p><i>Engage in strategic partnerships, programs, and funding to equitably address essential social determinants of health.</i></p>	<p>GOAL 3.1: Neighborhood and Built Environment Strengthen neighborhood and built-environment conditions.</p>	<p>KEY INITIATIVE 3.1.1 Healthy Housing & Stability Support programs and align partners around strategies that improve housing stability and integrate health-supportive services in the District.</p>
		<p>KEY INITIATIVE 3.1.2 Environmental Health & Climate Resilience Support programs and align partners to address environmental conditions—such as air quality, water safety, and extreme heat—that impact health outcomes for District residents.</p>
	<p>GOAL 3.2: Social and Community Context Enhance social and community well-being for District residents.</p>	<p>KEY INITIATIVE 3.2.1 Promote Nutrition for Health Support programs and align partners that promote nutritious food, nutrition education, and reduce food insecurity in the District.</p>
		<p>KEY INITIATIVE 3.2.2 Community Safety & Wellbeing Support community-based initiatives that strengthen social connection, mental wellbeing, and safety—particularly for populations at higher risk of isolation or harm.</p>
		<p>KEY INITIATIVE 3.2.3 Policy Alignment & Community Awareness Support programs and partnerships that elevate awareness of policy impacts on District residents and improve community understanding of public benefits, protections, and resources.</p>
	<p>GOAL 3.3: Economic Stability Strengthen economic stability for District residents.</p>	<p>KEY INITIATIVE 3.3.1 Expand Pathways to Economic Vitality Convene and align partners that expand access to career pathways and employment opportunities in the District.</p>

Pillar 3 focuses on addressing the Social Determinants of Health (SDoH), guided by the Healthy People 2030 framework, which recognizes that health outcomes are shaped as much by daily living conditions as by access to healthcare and health services. Across the strategic planning process, community members and DHCD/F Board and staff consistently reinforced that factors such as housing stability, food access, economic opportunity, environmental conditions, and social connection are core drivers of health. This reflects a broader shift toward understanding and addressing these upstream determinants as essential to improving long-term health outcomes. This pillar exemplifies DHCD/F’s evolving role as a Health System Amplifier—convening partners, aligning efforts, and investing in solutions that enable collective, system-wide impact across the Valley. The Desert Healthcare Foundation is a critical enabler of this work, providing the flexibility to support partnerships, leverage co-funding opportunities, and deploy resources in ways that complement public funding and accelerate impact and innovation.

This pillar is structured around three interconnected goals aligned to the Healthy People 2030 SDoH framework. This approach centers on three domains where the organization is best positioned to drive meaningful impact: 1) neighborhood and built environment, 2) social and community context, and 3) economic stability. These goals reflect the most pressing needs identified through community input and the areas where strategic partnerships and targeted investments can most effectively improve the conditions that shape health. Advancing these goals will require coordinated, cross-sector collaboration, recognizing that progress depends on aligning efforts across housing, food systems, workforce development, environmental health, and community services.


The selected initiatives reflect a comprehensive, cross-sector approach to addressing the SDoH, grounded in both community input, Board and staff alignment, and regional realities.

- **Neighborhood & Built Environment:** initiatives focus on addressing housing instability in the region and growing environmental health risks, including extreme heat, poor air quality linked to the Salton Sea, and water quality concerns.
- **Social & Community Context:** initiatives aim to improve access to basic needs and strengthen community well-being, responding to persistent food insecurity and addressing the role of nutrition in preventative health, addressing the loneliness epidemic and opportunities for social connection, and advancing policy alignment and community awareness through DHCD/F's policy committee.
- **Economic Stability:** initiatives focus on expanding pathways to opportunity and supporting the unique worker populations of the Valley.

Quote From the Community Engagement Process:

Addressing food access, environmental heat exposure, transportation barriers, and care navigation together would have a greater long-term impact than expanding clinical services alone



 <p>PILLAR 4: DATA DRIVEN</p> <p><i>Lead in aggregating, sharing, and utilizing data to drive evidence-based decisions for community collective impact.</i></p>	<p>GOAL 4.1: Data Maturity (Internal) Become a data-driven organization that makes informed decisions with a relevant and timely understanding of stakeholder needs and wants.</p>	<p>KEY INITIATIVE 4.1.1 Strengthen Internal Data Capability & Governance Develop the people, governance, tools, and processes needed for DHCD to consistently collect, analyze, and use data to inform strategy, funding decisions, and organizational learning.</p>
		<p>KEY INITIATIVE 4.1.2 Advance Outcomes & Impact Measurement Advance a shared outcomes and impact measurement framework—and embed consistent reporting expectations into funding relationships—to support learning, accountability, and collective impact across DHCD investments.</p>
	<p>GOAL 4.2: Data Hub (External) Enable data-informed decision-making for our partners and community through data aggregation, reporting, and partnerships.</p>	<p>KEY INITIATIVE 4.2.1 Enable Shared Data Access & Insight Enable collective access of timely, relevant, and actionable health data through shared platforms, reports, and analytic tools that support collective impact across the District.</p>
		<p>KEY INITIATIVE 4.2.2 Convene Regional Learning & Insight Convene partners around shared data, guidelines, and learning to build buy-in, align practices, and strengthen the use of data as a core enabler of collective impact.</p>

Pillar 4 focuses on evolving DHCD/F into an insight-driven organization, strengthening its ability to aggregate, share, and utilize data to drive evidence-based decision-making, reflect impact, and enable knowledge sharing across all parts of its ecosystem. Across the Valley, there is a clear and consistent call for data that better reflects residents' lived experiences, as well as stronger data sharing across organizations and more centralized data infrastructure. This pillar positions data not just as a reporting tool, but as a critical enabler of strategy, coordination, and accountability across the Valley.

This pillar is structured around two complementary goals that distinguish between DHCD/F's internal capabilities and its external role within the broader ecosystem. The first goal focuses on building internal data maturity, which includes strengthening the people, processes, governance, and tools needed for DHCD/F to consistently collect, analyze, and use data to inform strategy, funding decisions, and organizational learning.

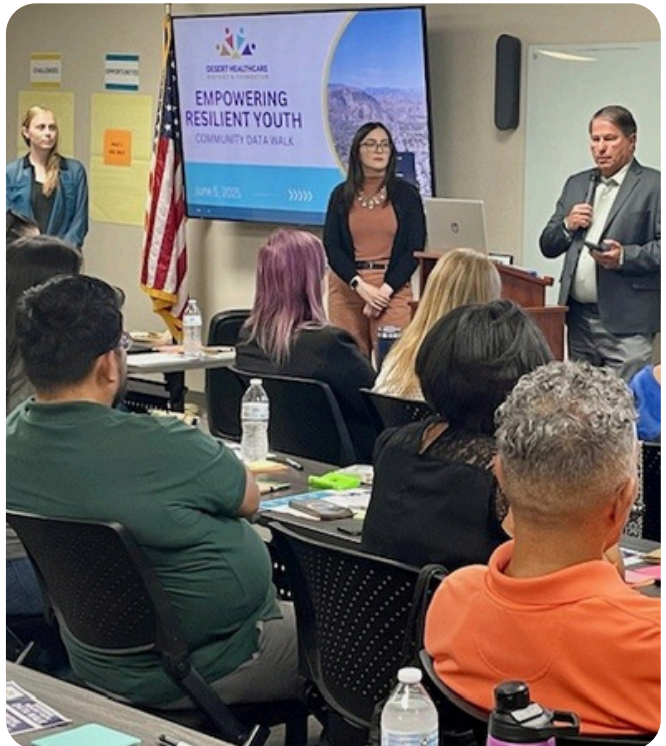
The second goal focuses on enabling a shared data ecosystem that supports partners and the community through data aggregation, reporting, and insights that improve coordination, align efforts, and drive collective impact. Together, these goals ensure that DHCD/F is both a data-driven organization internally and a catalyst for data-informed decision-making across the region.

The selected initiatives reflect a comprehensive approach to building both internal capacity and external impact through data. Internally, efforts focus on strengthening data governance, advancing outcomes and impact measurement, and embedding consistent expectations into funding relationships to support learning and accountability. Externally, initiatives aim to enable shared access to timely, relevant data and convene partners around insights, tools, and best practices that support more coordinated and effective action. Together, these initiatives establish a foundation for more informed, transparent, and aligned decision-making and support collective progress across the Valley.

Quotes From the Community Engagement Process:

“
Stories and qualitative data from our residents really ground us in our community and helps us understand the decisions folks are having to make when it comes to health
”

“
There are community organizations doing community-wide surveys. We should partner with local organizations who have already done surveys and already know what the community wants and needs. Why pay for the data work if it's already being done by other folks
”



PART 6: IMPACT MEASUREMENT

Why Measurement Matters

One of the three guiding principles of this strategic plan is a commitment to tangible impact. That commitment means we measure success by what changes in people's lives, not just by what we fund, or the activities undertaken, by us or our grantees, using this funding. This plan includes clear metrics across every pillar, goal, and initiative, allowing DHCD/F to track progress, report transparently to the community, and adjust course as the evidence demands.

What is an impact measurement framework?

An impact measurement framework is a structured approach to defining, tracking, and reporting the outcomes and impact measures that matter most based on an organization's set of activities, investments, partnerships, and efforts. It also includes using them systematically to improve our work, activities, investments, and ultimately- the lives and well-being of the Coachella Valley's residents and community. These culminate in a curated set of measurable, quantifiable indicators that tell the community whether our work is creating the change we set out to create and is organized in a way that connects what we do every day to our long-term vision.

Done well, a strong Impact Measurement Framework transforms data from a compliance exercise into a decision-making tool. It gives the organization, its partners, the Board, and the community a clear line of sight from the programs DHCD/F funds to the health outcomes the community experiences. It gives staff a consistent standard for evaluating grantee performance. And it gives the community a credible, accessible account of what their public investment is producing.

Why DHCD/F Needs One Now

We believe a formal impact measurement framework is essential at this particular moment in the organization's history.

The scale of investment is new. The Tenet lease has transformed DHCD/F from an organization managing modest annual grants into one with the capacity to drive systemic change across the Valley. Greater resources demand greater accountability. The communities whose tax dollars fund this work have a right to know what it is producing.

The complexity of the strategy is also new. A four-pillar strategy spanning workforce development, healthcare access, social determinants of health, and organizational data capacity involves hundreds of funded programs, dozens of partners, and outcomes that play out across years. Without a shared measurement structure, there is no reliable way to know which investments are working, which are not, and why.

Finally, the external environment demands it. Funders, policymakers, and peer organizations are increasingly sophisticated about impact evidence. DHCD/F's ability to attract partners, influence policy, and sustain public trust will depend on its ability to tell a credible, data-backed story of change — not just a compelling narrative.

What Makes a Good Metric?

Not all metrics are equal. A count of grants disbursed tells you something about activity. It tells you very little about health. The framework is anchored in a clear set of criteria that distinguish meaningful indicators from noise.

A strong metric is specific: it connects directly to a pillar, goal, or initiative, not to general organizational activity. It is measurable, meaning it can be quantified consistently over time. It draws on available, reliable sources —Community Health Surveys and Reports, DHCD/F administrative data, partner reporting, and regional datasets the organization can access today and will continue to access across the five-year plan. And it is insightful: it should help someone make an actual decision, whether to scale a program, shift investment, or change an approach.

That last criterion is the most important. A metric that is interesting but does not change how anyone acts is not a priority metric. For every indicator in this framework, the underlying question is: what decision would this data inform?

Our Impact Measurement Framework

Building on What Already Exists

The DHCD/F already has a strong history of measuring activities, results, and impact which we want to build on with the release of this strategic plan. The organization has worked within a Results-Based Accountability (RBA) framework, a widely-used approach that asks organizations to distinguish between population-level accountability (what are conditions like for residents?) and performance accountability (how well are programs performing?). RBA has been a useful foundation.

The new framework builds on the RBA foundation and extends it in three important ways: by aligning measurement explicitly to the new strategic architecture, by introducing a three-tier structure that tracks impact at every level of the organization's work, and by connecting metrics directly to the decisions that the Board and staff need to make. The goal is not to reinvent the wheel, it is to evolve from collecting a lot of data to collecting the right data; from counting activities to focusing on impact; from telling anecdotes to creating genuine stories of change. This framework was developed collaboratively with DHCD/F's Board and staff through a co-design process, which means it reflects the organization's own priorities and is built to be owned and used by the people responsible for delivering on them.

A Framework That Mirrors The Strategy

The most important design principle of this framework is structural alignment. The strategy is organized in a clear hierarchy: four Pillars, each supported by specific Goals, each advanced through Key Initiatives, each delivered through a defined set of Tactics. The measurement framework mirrors that hierarchy.

The result is three tiers of metrics, each mapped to a specific level of the strategic hierarchy:

Metric Tier	Recommended Metric Number	What it Tracks
Primary Impact Metrics <i>Pillar & Goal Levels</i>	~5 to 7	Population-level outcomes: is the change we set out to create actually happening in the community? Public-facing, reviewed by the Board.
Secondary Impact Metrics <i>Goal & Initiative Levels</i>	~7 to 10	Intermediate outcomes: are our programs producing the results that lead to long-term change? Leading indicators of strategic progress.
Activity Metrics <i>Tactical Level</i>	~ 10 to 20	Operational Execution: are programs running as designed? Used internally for program management and grantee accountability.

Primary Impact Metrics: The View From The Top

Primary Impact Metrics sit at the Pillar and Goal levels. These are the five to seven indicators per pillar that answer the highest-stakes question: are we creating the change we set out to create? They focus on population-level outcomes such as the provider-to-population ratio across the Valley, the share of residents experiencing food insecurity, the percentage of adults who can access timely care when they need it. These metrics move slowly by design. Real change in population health is not measured in quarters. These are the indicators that tell the story of whether DHCD/F's strategy is working at the scale that matters.

Primary Impact Metrics will be reported publicly. They are the organization's primary accountability to the community it serves, and they are the lens through which the Board will assess whether the 2027–2031 strategy is on track.

Secondary Impact Metrics: The View From The Middle

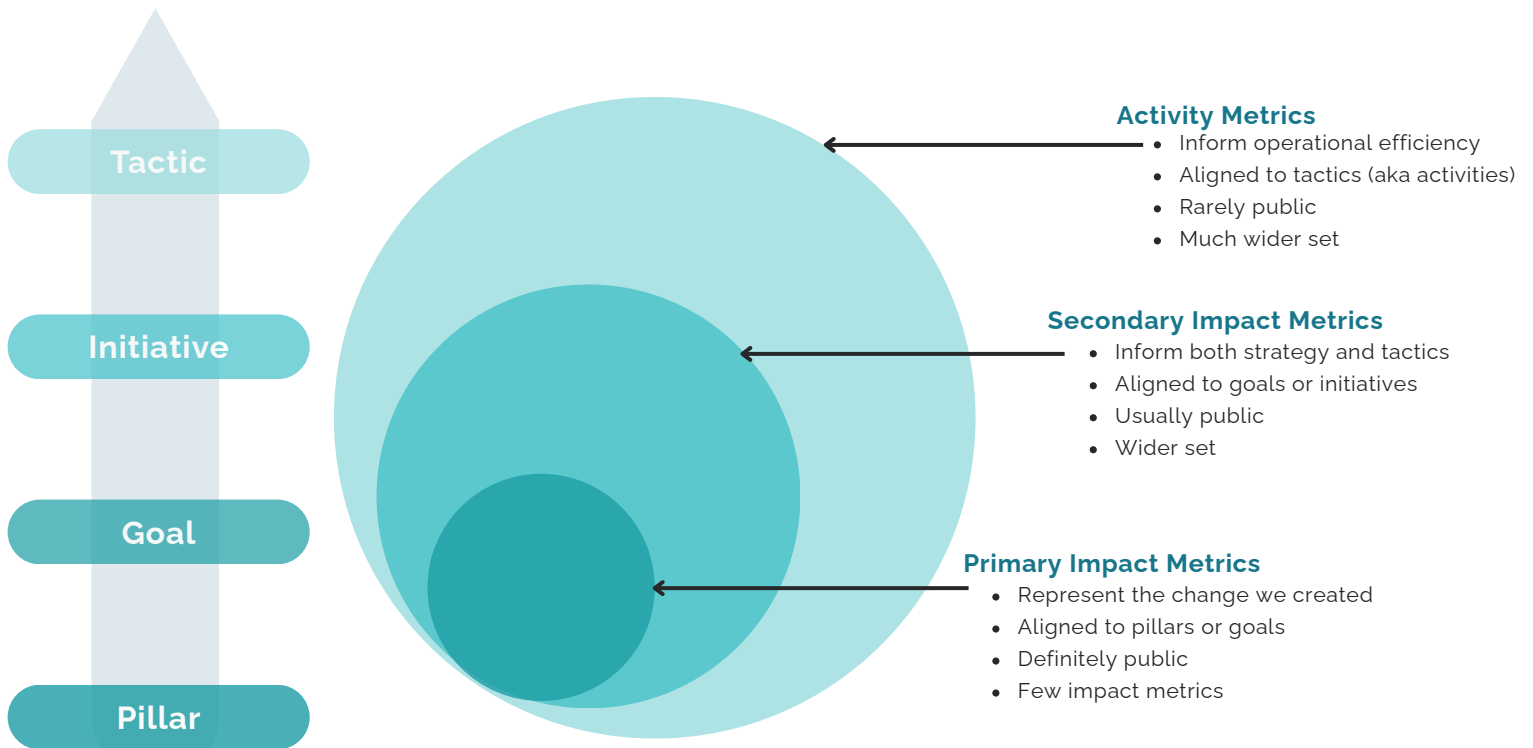
Secondary Impact Metrics sit at the Goal and Initiative levels. These seven to ten indicators per initiative track the intermediate outcomes that connect programs and activities to the larger change DHCD/F is working toward. They are the leading indicators: the data that tells you, before population-level numbers shift, whether the strategy is headed in the right direction.

A grow-your-own healthcare workforce pipeline will not move the regional provider ratio in year one. But it should be enrolling students, building partnerships with local academic institutions, and placing graduates in practices that serve underserved communities. Secondary metrics capture that progress and make it possible to course-correct before problems compound.

Activity Metrics: The View From The Ground

Activity Metrics sit at the tactic and program level. These ten to twenty indicators per program track the operational execution that makes impact possible such as the reach of outreach programs, the quality and timeliness of grantee reporting, the diversity of partners participating in a convening. They are rarely the story DHCD/F tells publicly. But they are essential to the internal discipline of knowing whether programs are running as designed, and they provide the earliest warning signal when something is not working.

Together, these three tiers give DHCD/F a complete picture: from the question “is the Valley getting healthier?” all the way to “is the farmworker navigation program reaching the right people in the Eastern Coachella Valley this quarter?”



Putting the Framework to Work

A framework that lives in a spreadsheet is not a framework, it is a document. What matters is how measurement changes behavior: how often data is reviewed, whether it shapes grant decisions, whether it surfaces problems early enough to act on them. The following describes how DHCD/F intends to put this framework into active use across three dimensions.

Cadence of Strategic Progress

The Primary Impact Metrics for each pillar will serve as the Board's primary lens for evaluating whether the strategy is working, and the material with which we communicate the impact of our work to our most important stakeholders, including our partner organizations and the public.

The recommendation is a quarterly data review at the leadership level — not to scrutinize every program metric, but to assess whether the leading indicators are moving in the right direction and to flag early where course correction may be needed.

Annual public reporting against the Primary Impact Metrics will become a cornerstone of DHCD/F's accountability to the community. The organization's new scale creates a corresponding obligation: to show the Valley, in clear and accessible terms, what its investment is producing and to be honest when results fall short of expectations.

This is also how DHCD/F demonstrates that it is operating as a learning organization rather than a compliance organization. The difference is significant. Compliance organizations report what they did. Learning organizations report what they did, what it produced, and what they will do differently as a result.

Driving Stakeholder Engagement and Transparency

Across every community engagement session, residents said the same thing in different ways: they want to know what DHCD/F is doing, and they want to know whether it is working. They want to understand the needs of the communities served by the organization, and what programs, initiatives, and interventions work best to serve those needs. This framework creates the structure to answer both questions honestly.

Primary Impact Metrics are drawn from sources the community already trusts such as the annual Community Health Surveys, regional vital statistics, publicly available census data. They measure conditions that residents experience directly: whether food is accessible, whether appointments are available, whether the air near the Salton Sea is safe. This grounding in community-visible outcomes means that public reporting is not just a governance exercise. It is a genuine accounting to the people whose lives the strategy is designed to change.

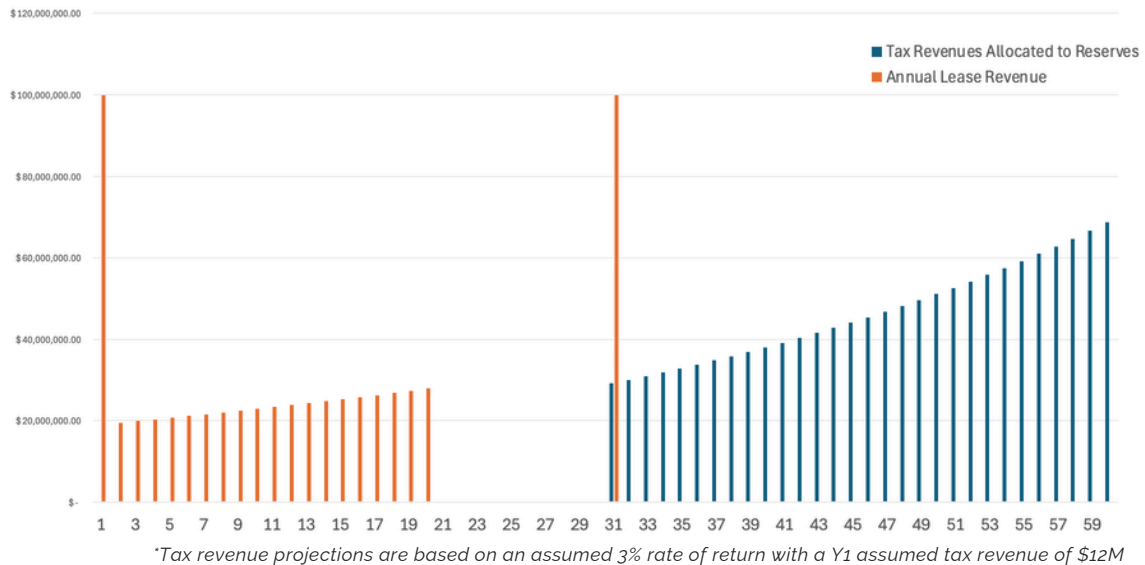
The numbers, told well, become something more than data. A food insecurity rate that falls from 25.2% to 20% over three years is not an abstract statistic. It represents approximately 23,000 fewer Valley adults cutting or skipping meals because they ran out of money. That is the kind of tangible, human story that sustains public trust, attracts new partners, and makes the case for continued investment. This framework is what makes that story possible to tell — and to prove.

PART 7: FINANCIAL SUSTAINABILITY FRAMEWORK

The Opportunity and Responsibility

The magnitude of capital the District is poised to receive through the Tenet Lease Purchase Agreement presents both a historic opportunity and a profound responsibility. The anticipated lease revenue represents an unprecedented investment in the health and well-being of the Coachella Valley. At the same time, it requires careful stewardship to ensure that these funds generate sustained community impact and long-term organizational vitality. As illustrated below, the lease payments are structured over a 30-year period, with significant upfront and long-term inflows that will shape the District's financial position for decades to come.

Annual Revenue Sources (not including returns on investments)



As part of this strategic planning process, we undertook a parallel effort to examine financial sustainability from multiple vantage points including engaging Board members, staff, legal counsel, and sector experts. This analysis considered not only the Tenet lease, but the District's broader mix of funding sources. What follows reflects the learning journey of those discussions, the key findings that emerged, and recommendations to guide near-term decision-making. Many long-term variables remain inherently uncertain; therefore, this framework is designed not as a rigid prescription, but as a disciplined structure for informed decision-making.

Tax Revenue Derived

1. Annual Tax Revenue
2. Lease Revenue
3. ROI Accounts/Bonds

Non-Tax Revenue Derived

1. Donations
2. Bequests
3. Matching Grants

The District's evolution into a Health System Amplifier, supported by strengthened data capabilities and backbone infrastructure, will play a critical role in informing future financial decisions. A strong data function helps you track return on investment, community outcomes, and capital effectiveness over time. This financial framework is therefore intended to balance immediate community needs with the long-term sustainability of DHCD/F, ensuring that the organization can serve Valley residents not only over the next five years, but for the long term.

Financial Sustainability

Financial sustainability is often described in purely financial terms, preserving capital, managing risk, and generating returns. For a public agency like the Desert Healthcare District & Foundation, the definition must be broader and more grounded in purpose.

For DHCD/F, financial sustainability means stewarding public resources in a way that advances health today while protecting the District's ability to serve future generations. It requires disciplined capital deployment, alignment with community needs, and consistent compliance with legal and governance obligations.

At its heart, sustainability begins with the community. The District exists to improve the health of residents across the Coachella Valley. Financial decisions should reinforce the priorities in this Strategic Plan. Resources should be directed toward initiatives that address documented needs, strengthen the healthcare ecosystem, and expand equitable access. Sustainability is not about preserving capital for its own sake; it is about ensuring that every dollar deployed meaningfully advances community health.

At the same time, sustainability demands financial viability. The 30-year Lease Purchase Agreement introduces a scale of capital that the District has never before managed. With that opportunity comes the responsibility to think beyond the immediate term. Decisions made in the coming years will shape the District's capacity decades from now. Balancing near-term grantmaking with long-term reserves, evaluating prudent investment strategies, and maintaining operational strength are all part of ensuring that DHCD/F remains a stable and impactful institution long after the lease concludes. Finally, sustainability requires strict legal compliance. As a public agency, the District operates within constitutional and statutory guardrails that govern the use of tax-derived and lease revenues. These requirements are not procedural details; they are essential protections that preserve public trust and institutional legitimacy. Financial sustainability must therefore incorporate disciplined legal review and a clear understanding of permissible uses of funds.

These three dimensions, community-centered purpose, financial discipline, and legal compliance, are inseparable. Decisions that maximize impact but ignore long-term viability undermine sustainability. Likewise, overly conservative capital preservation that neglects pressing community needs fails the District's mission. True stewardship lies in the balance.

The framework that follows is built on this understanding. It supports thoughtful, transparent, data-informed financial decisions, so this historic moment becomes an opportunity for growth and a foundation for lasting impact.

Our Approach

The DHDC/F financial sustainability framework was developed through a structured and multi-input process designed to ensure rigor, compliance, and strategic alignment. The framework was designed on the foundation of the previous [Financial Sustainability Report](#) delivered in the Discovery phase.

Between August 2025 and March 2026, we conducted a series of staff and Board work sessions to clarify priorities, identify constraints, and surface opportunities. We supplemented this internal alignment process with:

- A peer review of comparable healthcare districts and foundations
- Legal consultation to clarify statutory and constitutional constraints
- Dialogue with the Association of California Healthcare Districts
- Analysis of funding streams, capital inflows, and long-term projections

These inputs were synthesized into a financial framework that reflects DHCD/F's operational realities while incorporating broader sector insights and regulatory considerations.

The Assumptions

Several guiding assumptions emerged through discussions with legal counsel and stakeholders and establish the foundational parameters within which capital decisions must be made.

- 1. Lease revenue is treated as tax-derived revenue.**

Revenues originating from tax-supported assets (including lease payments from hospital ownership established through tax revenue) are subject to the same regulatory requirements as direct tax revenue.
- 2. Transfers to the Foundation do not alter compliance obligations.**

Moving tax-derived funds to the Foundation does not create additional flexibility. However, such funds may serve as catalytic capital that attracts private philanthropic dollars, which carry greater flexibility.
- 3. Public funds may not benefit for-profit corporations.**

Constitutional restrictions prohibit public dollars from directly benefiting private, for-profit entities.
- 4. Appropriate use of funds remain a legal determination.**

Delineation of permissible uses is an evolving process and falls outside the scope of this strategic planning engagement. Legal counsel should be consulted when considering investment approaches that have not been previously authorized.
- 5. External risks must be considered.**

Healthcare districts face periodic scrutiny, including review by the Little Hoover Commission and risks of dissolution or absorption. Financial strategy must account for these systemic governance risks.
- 6. Revenue projections include uncertainty.**

Long-term tax revenue assumptions rely on projected annual growth rates, which are not guaranteed. Lease revenue timing and magnitude are clearer but must still be modeled prudently.

Scenario Planning

A central question guiding Board deliberation concerns the allocation of the initial \$100 million lease payment, and, by extension, subsequent lease payments over time:

As a preliminary step, we worked with Board members and staff to delineate several hypothetical scenarios regarding the use of the near-term \$100 million lease payment. These scenarios reflected different allocation balances between grantmaking and reserves, recognizing that the District must weigh immediate community needs against long-term stewardship.

That initial discussion made clear that allocation decisions are not isolated. They are interconnected with broader questions regarding reserve strategy, investment approach, and risk tolerance. In response, we developed a structured framework to support more informed and transparent deliberation.

A Structured Decision Framework

To guide the Board's deliberations, we developed a decision tree structured around three interrelated strategic questions: how the initial \$100 million Year 1 Tenet lease payment should be allocated; how, and to what extent, real estate investment should factor into the District's broader financial strategy; and what the Board envisions as the District's long-term "steady state" budget. Embedded within these questions are critical considerations regarding the balance between near-term grantmaking and reserves, appropriate reserve targets and capital preservation objectives, and the District's investment approach, including the role of traditional instruments such as Treasuries alongside potential alternative investments. By organizing the discussion in this way, the framework makes explicit the tradeoffs inherent in each decision and clarifies how choices in one domain inevitably influence outcomes in another.

Interactive Financial Modeling

To accompany the decision tree, we developed an interactive financial model designed to support scenario analysis. (The model was developed for educational purposes only. It does not constitute investment advice.) It is an interactive tool to illustrate the implications associated with several key decisions (Y1 grantmaking budget, annual grantmaking budget increase, percentages of reserves allocated to treasury bonds and real estate) and assumptions (real estate and treasury bonds interest rates).

The model allowed Board members to:

- Adjust allocation percentages between grantmaking and reserves
- Test different reserve growth assumptions
- Compare traditional reserve investments (e.g., Treasury-based strategies) with alternative approaches
- Examine projected implications over time

The purpose of the model was not to dictate decisions, but to illuminate consequences. It demonstrated how near-term allocations influence long-term capacity and helped quantify tradeoffs that might otherwise remain abstract.

Considering Real Estate as a Dual-Purpose Strategy

The Board has expressed interest in real estate as a potential dual-purpose strategy, one that could advance mission-aligned objectives (such as workforce housing or community health infrastructure) while also generating long-term asset value.

Accordingly, the model incorporates real estate investment alongside the District's historic reserve strategy, which has relied heavily on Treasury-based instruments. This allows the Board to examine how different levels of real estate allocation could influence both financial sustainability and programmatic capacity.

At the same time, it is important to acknowledge that real estate carries inherent risk and uncertainty. Market cycles, liquidity constraints, and operational considerations introduce variability that differs from traditional reserve investments. The model, therefore, serves as an educational and deliberative tool rather than a predictive instrument. It does not account for long-term inflation, operating cost fluctuations, or broader macroeconomic volatility. Instead, it facilitates structured discussion and informed tradeoff analysis.

Supporting Informed Stewardship

Ultimately, this modeling process is intended to support the Board's fiduciary responsibility. It provides a transparent mechanism to explore how different allocation strategies affect long-term sustainability, organizational flexibility, and community impact. This is only a starting point. Board and Staff discussed the importance of engaging a Financial Investment expert to create a sophisticated model and guide the DHCD/F in making investment decisions.

Financial sustainability is not achieved through a single decision. It emerges from a series of disciplined choices — grounded in mission, informed by data, and made with a clear understanding of both opportunity and risk.

Looking Forward

Within the context of this strategic planning engagement, success was not defined by selecting a single allocation percentage or endorsing a specific investment vehicle. Rather, success was defined as achieving clarity, ensuring that the Board and staff developed a shared understanding of the core principles that must guide financial decision-making moving forward to ensure long-term financial sustainability.

By the end of the Financial Sustainability Work Sessions, we agreed on several foundational truths.

First, the Board and staff developed a clear appreciation for the interconnected factors influencing capital allocation. Decisions about grantmaking, reserves, and investment strategy are not isolated choices; they shape one another and collectively determine the District's long-term capacity.

Second, there was recognition that financial decisions must serve the Strategic Plan, not operate independently from it. Capital allocation must reinforce organizational capacity, mission alignment, and measurable community impact. Financial stewardship is not an abstract exercise; it is directly linked to outcomes for residents across the Coachella Valley.

Third, there was broad acknowledgment that every near-term decision carries long-term implications. Allocation choices made in the early years of the lease will influence flexibility, risk tolerance, and institutional strength decades into the future.

The Board also reached consensus on the importance of transparency and proactive community communication. As a public agency stewarding substantial public resources, DHCD/F must demonstrate disciplined governance and responsible use of funds. Trust is built not only through outcomes, but through clarity and openness about how decisions are made.

As a concrete next step, the Board expressed alignment around issuing an RFP to engage a qualified financial advisor. This reflects an understanding that disciplined external expertise will strengthen fiduciary oversight and long-term sustainability.

Importantly, there was also humility in the process. The Board acknowledged that no financial model can fully account for future uncertainty. Economic cycles, policy shifts, and evolving community needs will inevitably introduce complexity. By strengthening data capabilities, clarifying governance guardrails, and embedding sustainability into strategic decisions, DHCD/F is better positioned to navigate uncertainty responsibly rather than reactively.

Financial sustainability is not a one-time decision. It is an ongoing discipline. It requires continuous assessment of community needs, capital performance, governance risk, and organizational capacity. It demands the willingness to revisit assumptions, recalibrate allocations, and adjust strategy as conditions evolve.

The actions outlined across the four strategic pillars, particularly the District's commitment to enhanced data maturity and system-level coordination, establish the structural conditions for disciplined financial stewardship. By aligning capital deployment with measurable community outcomes and long-term institutional viability, the District can make this historic financial moment more than a milestone.

It becomes a foundation that supports lasting impact, sustained trust, and a healthier Coachella Valley for generations to come.



PART 8: IMPLEMENTATION

A strong strategy only delivers impact through effective implementation. This plan sets a clear direction for DHCD/F’s priorities over the next five years, but its success will depend on how well those priorities are translated into action.

This section outlines a phased approach to implementation that focuses on how DHCD/F will operationalize its strategic pillars, align resources, build the necessary organizational capacity, and track progress over time. It ensures the plan stays actionable, accountable, and responsive as conditions change, helping DHCD/F deliver meaningful, measurable impact for the communities it serves.

PHASE	TIMING	FOCUS AREA
<p>Foundation</p>	<p>0-6 Months</p>	<ul style="list-style-type: none"> • Strategy communication (internal alignment + launch to partners and the community) • Design and formalize DHCD/F’s organizational structure aligned to strategic priorities and operating model • Hire for priority roles and define clear roles, responsibilities, and decision-making authority across the organization • Establish new grantmaking strategy, including funding approach (e.g., RFPs vs. rolling grants), application structure, and evaluation criteria and scoring framework aligned to strategic priorities • Develop core impact measurement framework and metrics • Assess and align core systems (grant management + data platforms) • Continue to strengthen internal communication and collaboration practices around governance with Larry Walker
<p>Activation</p>	<p>6-12 Months</p>	<ul style="list-style-type: none"> • Evaluate tech and data infrastructure necessary to support implementation of new strategy • Operationalize impact measurement framework (data collection + reporting live and external facing) • Develop internal processes for tracking goals and initiatives • Strengthen partnerships and begin convening around key initiatives • Establish quarterly Board reviews to track progress against pillars, goals, and initiatives

PHASE	TIMING	FOCUS AREA
Acceleration	1-3 Years	<ul style="list-style-type: none"> • Scale grantmaking aligned to strategic priorities and community needs • Advance clinic infrastructure and real-estate related investments • Launch an external-facing Data Hub • Deepen cross-sector partnerships and coordination efforts • Use data to inform funding decisions, strategy refinement, and resource allocation • Mid-term Community re-engagement to validate strategic priorities
Optimization	3-5 Years	<ul style="list-style-type: none"> • Advance collective impact leadership across the region • Expand policy influence and systems-level change efforts • Scale and fully operationalize Data Hub and public-facing tools • Establish a sustainable and diversified financial model



CONCLUSION

More than 75 years ago, the Desert Healthcare District was established on a simple but profound belief: that every person living in the Coachella Valley deserves access to healthcare. That founding commitment, rooted in community, sustained by public trust, and driven by a sense of shared responsibility, has never wavered. What has changed is the scale of what is now possible. DHDC/F stands at the threshold of an unprecedented opportunity with nearly \$650 million in lease revenue over 30 years and both the resources and the responsibility to do something transformative with it. This plan is the answer to that moment.

Across four strategic pillars: expanding healthcare access, strengthening the workforce, addressing the social and environmental determinants of health, and building the data infrastructure that ties it all together, the DHCD/F has made a clear, disciplined commitment: to move from grantmaker to **Health System Amplifier**. Not to replace what already exists, but to strengthen it. Not to work in parallel with the organizations that serve this Valley, but to convene them, connect them, and help them achieve more together than any could achieve alone.

A strategy is only as powerful as the commitment to live by it. This plan is not meant to sit on a shelf or be revisited once a year at a board retreat. It is meant to be used every day, in every meeting, in every funding decision, partnership conversation, and budget deliberation. It is the True North that guides the Board and staff when priorities compete, and tradeoffs are hard. When a new opportunity arises, the first question should be: Does this advance our pillars, serve our residents, and move us closer to being the Health System Amplifier this Valley needs? When a program falls short, the question is not whether to acknowledge it, but what we will do differently. When resources must be allocated, the question is not who asked first, but where the evidence says impact will be greatest.

This is not a plan built on abstract aspiration. It is built on what the community told us. This plan is DHCD/F's promise to the Coachella Valley residents. The strategies are specific because the needs are specific. These metrics are measurable because accountability to this community is essential. The financial framework is disciplined because these are public resources held in trust that must serve today's residents and future generations who will call this Valley home long after this five-year plan concludes. Every year, through public reporting against the Primary Impact Metrics, the Board and staff will ask a straightforward question: Are we delivering on our promise? Are we, in concrete and measurable ways, amplifying this health system and improving lives?

There will be challenges ahead. Economic conditions will shift. Community needs will evolve. New pressures from the changing policy landscape will demand adaptation. But DHCD/F is better prepared for those challenges than it has ever been. When the path forward is uncertain, this plan will provide clear direction.

The work begins now.